

# Daily FX Report

www.varengoldbankfx.com – Intelligent Investments

Monday, July 13, 2009

Good morning from Hamburg and welcome to a new and exciting FX trading week. We hope you will enjoy the new adjusted layout of Varengold's Daily FX Report.

## Market review

After a weak start in the new week, the **JPY** finally rose again after stocks declined, which increased repeatedly the demand for the relative safety of Japan's currency. The MSCI Asia-Pacific Index of regional shares fell 1.5 % while the Nikkei 225 stock average also slid 1.5 %. The **JPY** climbed near an eight-week high versus the **AUD** and the **NZD**. It rose for a second day against the **GBP** after the "Sunday Times" reported, without saying where it got the information, that Lloyds Banking Group Plc may announce further losses of as much as 13 billion **GBP** (\$21 billion). The **EUR** traded near a one-month high against the **GBP** on speculation ECB President Jean-Claude Trichet may signal today the central bank will refrain from cutting interest rates. It rose versus 12 of the 16 major currencies. The central bank said in its monthly report last week that interest rates are "appropriate" and the Euro-Zone's economy will gradually emerge from recession in 2010.

The **AUD/JPY** fell for a second day, trading currently around 71.80. It reached a low at 70.96 on July 8<sup>th</sup>, which was the lowest level since May 18<sup>th</sup>. The strong and dominant **JPY** also rose against the **GBP** after touching a high at 148.91. But this level is far away from its record high on last Wednesday. It reached a high at 146.78 versus the **GBP**, which was the best performance of the **JPY** since May 21<sup>st</sup>.

## USD/JPY

Since June, the USD/JPY has been trading in a bearish trend channel. A large price plunge results in that the pair crossed the lower trend line and left the trend formation. But it seems that the USD developed a support level at 91.81. Additionally, the RSI indicator might show an overbought signal and the MACD is going to cross the signal line. This development could indicate that the currency will raise and come back in the old trend formation.



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## CAD/JPY

During the past three months, the CAD/JPY has been moving along Fibonacci projection lines. After it touched the 123% (78.92) twice and tried to cross the upper channel of Andrews' Pitchfork, it pulled back and trades currently around 79.50. If the market doesn't exit its bearish phase with a break trough the given resistance lines, it may continue falling along the Pitchfork channels and the Fibonacci projection lines.



## Pivot Points - Daily FX Support and Resistance Levels

Currency	Support 2	Support 1	Pivotpoint	Resistance 1	Resistance 2
EUR/USD	1.3797	1.3867	1.3949	1.4018	1.4100
USD/JPY	91.10	91.82	92.51	93.23	93.91
GBP/USD	1.6046	1.6129	1.6239	1.6322	1.6432
USD/CHF	1.0709	1.0787	1.0856	1.0934	1.1002
AUD/USD	0.7682	0.7735	0.7792	0.7845	0.7902
CAD/USD	1.1559	1.1599	1.1637	1.1677	1.1716
NZD/USD	0.6185	0.6231	0.6281	0.6327	0.6378
EUR/AUD	1.7785	1.7841	1.7908	1.7963	1.8031
EUR/CAD	1.6084	1.6148	1.6224	1.6288	1.6364
EUR/CHF	1.5090	1.5114	1.5141	1.5165	1.5193
EUR/GBP	0.8496	0.8544	0.8585	0.8633	0.8675
EUR/JPY	126.35	127.68	129.14	130.47	131.93
GBP/CHF	1.7424	1.7519	1.7634	1.7729	1.7844
GBP/JPY	146.41	148.24	150.21	152.04	154.01

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## Daily Calendar & Key FX Events

Date	Time (GMT)	Economic Indicator	Last
13.07.09	13:30	CA BoC Senior Loan Officer Survey	
13.07.09	16:30	CA Business Outlook Future Sales	-22.00
13.07.09	18:00	US Monthly Budget Statement	\$33.5B
13.07.09	23:01	UK BRC June Retail Sales Monitor	
13.07.09	23:01	UK RICS House Price Balance	-44.1%

If you have any questions, please contact us for further assistance. 24 hours a day:

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